

## Message Text

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ACTION ARA-14

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-07

L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 SAB-02 SSO-00 EB-08 /071 W

-----004552 080059Z /14

R 072245Z OCT 77

FM AMEMBASSY PANAMA

TO SECSTATE WASHDC 4080

INFO PANCANAL

USCINCSO

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FOR ARA/PAN-CARL DAVIS

E.O. 11652: N/A

TAGS: SOPN, PN

SUBJECT: POST-DISPATCH ARTICLE

1. PAUL WAGMAN OF THE ST. LOUIS POST DISPATCH GAVE US A DROP COPY OF THE FOLLOWING CABLE WHICH HE FILED TO ST. LOUIS THIS MORNING. WE CONSIDER IT WORTH THE DESK'S ATTENTION. TEXT OF THE MESSAGE MAY BE DECONTROLLED UPON PUBLICATION.

2. QUOTE THE GAP BETWEEN UNITED STATES AND PANAMANIAN INTERPRETATIONS OF THE PROPOSED NEUTRALITY PACT GOVERNING THE PANAMA CANAL AFTER THE YEAR 2000 IS NARROWER THAN A FEW SELECTED QUOTES FROM THE PANAMANIAN SIDE MIGHT SUGGEST.

U.S. OFFICIALS INCLUDING SECRETARY OF STATE CYRUS VANCE HAVE TESTIFIED THAT THE PACT GIVES THE U.S. THE RIGHT TO INTERVENE IN PANAMA, EVEN OVER PANAMA'S OBJECTION. PANAMANIAN NEGOTIATORS HERE HAVE SAID THAT'S NOT SO.

BUT A READING OF THE FULL TEXTS OF RECENT SPEECHES

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BY THE PANAMANIAN NEGOTIATORS SHOWS THAT PANAMA GRANTS THE U.S. THE RIGHT TO TAKE UNILATERAL ACTION TO PROTECT THE CANAL'S NEUTRALITY IF IT IS THREATENED.

WHAT THE SPEECHES DON'T SAY, HOWEVER, IS THAT THIS ACTION COULD TAKE THE FORM OF DIRECT INTERVENTION IN PANAMA. THEY DO NOT, FOR EXAMPLE, ALLUDE TO SUCH

POSSIBILITIES AS A VISIT BY THE MARINES.

A SPEECH MADE HERE SEPT. 30 BY NEGOTIATOR CARLOS LOPEZ-GUEVARA ILLUSTRATES THE DISTINCTIONS BEING DRAWN HERE.

AT ONE POINT IN HIS SPEECH, LOPEZ GUEVARA SAID:  
'I HAVE HEARD IT SAID THAT THE U.S. HAS THE RIGHT TO INTERVENE IN PANAMA AFTER THE YEAR 2000. IT IS SAD TO SEE HIGHLY RESPONSIBLE OFFICIALS IN THE US. SAYING THAT THIS NEUTRALITY TREATY GRANTS THE RIGHT OF INTERVENTION... THERE IS NOTHING IN THIS TREATY TO SERVE AS A BASIS FOR SUCH A CLAIM'.

LATER IN HIS SPEECH, HOWEVER, LOPEZ-GUEVARA SAID:  
'HOWEVER, WHAT WOULD HAPPEN IF THE PASSAGE OF A U.S. SHIP WERE BLOCKED?...IT IS ONLY NATURAL TO EXPECT THAT THE U.S. WILL REACT VIOLENTLY AGAINST THE COUNTRY OBSTRUCTING ITS RIGHT, OR THAT IT WILL TAKE REPRISALS WHICH WOULD BE LEGAL BECAUSE A U.S. RIGHT WOULD HAVE BEEN VIOLATED. OR IT MIGHT TAKE RECOURSE TO OTHER MECHANISMS, THE UNITED NATIONS, OR THE INTERNATIONAL COURT OF JUSTICE.

'THESE PATHS ARE OPEN TO THE UNITED STATES. BUT IS NATURAL TO RECOGNIZE HERE THAT WHOEVER DENIED THIS RIGHT LIMITED OFFICIAL USE

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OF THE UNITED STATES TO PASS ITS SHIPS WOULD BE INVITING WAR OR REPRISAL BY THE UNITED STATES'.

ANOTHER PANAMANIAN NEGOTIATOR, ARISTIDES ROYO, ENVISIONED A MORE SPECIFIC SCENARIO IN A SPEECH MADE SEPT. 27. 'IF 400 BATTLESHIPS OF ANY POWER INVOLVED IN A CONFLICT WANTED TO SHELL THE PANAMA CANAL, AND IF THEY LOCATED NEAR THE CANAL'S ((WORDS MISSING)) EITHER ON THE ATLANTIC OR PACIFIC SIDE, COULD THE UNITED STATES DEPLOY 800 BATTLESHIPS TO PREVENT SUCH SHELLING? THE ANSWER I YES. THE UNITED STATES COULD AND WOULD AND IS AUTHORIZED TO TAKE MEASURES REGARDING ANYTHING THAT IS CONTRARY TO THE CONCEPT OF NEUTRALITY...'

IN BOTH CASES CITED BY THE NEGOTIATORS, THERE IS NO QUESTIONING OF THE U.S. RIGHT FOR UNILATERAL ACTION TO PROTECT THE CANAL'S NEUTRALITY. BUT THERE IS ALSO NO SPECIFIC REFERENCE TO THE U.S. NEEDING TO INTERVENE IN PANAMA TO DO IT.

PANAMA ITSELF, LOPEZ-GUEVARA SAID, WOULD NEVER SEEK TO BLOCK A U.S. SHIP. PANAMA PLEDGES IN THE PACT TO

OPERATE A NEUTRAL CANAL 'OUR SOURCE OF WEALTH', IN LOPEZ-GUEVARA'S WORDS, BUT EVEN IF PANAMA WERE TO AT SOME DATE SEEK TO VIOLATE THE CANAL'S NEUTRALITY, IT COULD HARDLY BE EXPECTED TO SIGN A TREATY NOW WHICH EXPLICITLY GIVES THE U.S. THE RIGHT TO INTERVENE AGAINST ITSELF SOME OBSERVERS SAYS. NO SELF-RESPECTING COUNTRY WOULD DO THAT, THEY ASSERT.

NOR WOULD ANY SELF-RESPECTING COUNTRY EXPLICITLY AUTHORIZE ANOTHER NATION TO INTERVENE UNILATERALLY WITHIN ITS BORDERS AGAINST A HYPOTHETICAL THIRD POWER, THESE OBSERVERS SAY.

THE MOST PANAMA COULD DO IS THAT IT HAS DONE: TO LIMITED OFFICIAL USE

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SAY IN DELIBERATELY VAGUE LANGUAGE THAT THE U.S. AND PANAMA 'AGREE TO MAINTAIN THE REGIME OF NEUTRALITY ESTABLISHED IN THIS TREATY'.

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THAT IS THE WORDING FOUND IN ARTICLE IV, THE KEY SECTION OF THE NEUTRALITY PACT.

ANOTHER ISSUE CAUSING CONFLICT IS WHETHER THE

PACT GIVES U.S. WARSHIPS THE RIGHT TO GO 'TO THE HEAD OF THE LINE' IN TRANSITING THE CANAL.

THIS IS THE INTERPRETATION WHICH U.S. OFFICIALS HAVE GIVEN THE WORD 'EXPEDITIOUSLY', USED IN ARTICLE VI OF THE NEUTRALITY PACT.

BUT LOPEZ-GUEVARA AND PANAMANIAN NEGOTIATOR ROMULO ESCOBAR BETHANCOURT SAY THIS IS WRONG. BOTH HAVE PUBLICLY DELARED THAT PANAMA REJECTED A U.S. REQUEST TO USE THE WORD 'PREFERENTIAL' BECAUSE THAT WOULD CONSTITUTE A VIOLATION OF THE CANAL'S NEUTRALITY.

'EXPEDITIOUSLY' IS THE WORD, THEY SAY, WHICH WAS SUBSTITUTED.

WEBSTER'S DEFINES 'EXPEDITIOUSLY' AS 'CHARACTERIZED BY OR ACTING WITH PROMPTNESS AND EFFICIENCY; SPEEDY'. LIMITED OFFICIAL USE

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THAT IS ALMOST EXACTLY WHAT ESCOBAR SAYS TOO.

'THE UNDERSTANDING IS, HE SAID, 'THAT THEY WILL HAVE A RIGHT TO A SPEEDY PASSAGE--THE SPEEDIEST POSSIBLE. WE AGREED WITH THIS, BECAUSE IT IS TO NO COUNTRY'S ADVANTAGE TO HAVE THE WARSHIPS OF ANOTHER COUNTRY SPEND MUCH TIME IN ITS TERRITORIAL WATERS, SO THAT FASTER THEY GO THROUGH THE BETTER'.

LOPEZ-GUEVARA, HOWEVER, SEEMS TO HAVE A DIFFERENT CONCEPT. 'EXPEDITIOUS PASSAGE MEANS THAT IT IS FACILITATED, THAT IT IS NOT HINDERED, BUT IT CANNOT MEAN DISCRIMINATION', HE SAID LAST WEEK.

A CHECK WITH THE PANAMA CANAL COMPANY YESTERDAY DISCLOSED THAT THERE ARE CURRENTLY NO WRITTEN REGULATIONS GOVERNING THE ORDER OF TRANSIT FOR U.S. NAVAL VESSELS. THE PANAMA CANAL COMPANY IS A U.S. AGENCY WHICH CURRENTLY RUNS THE CANAL.

AS A MATTER OF PRACTICE, HOWEVER, SUCH SHIPS ARE TRANSITED ON A 'PRIORITY BASIS' UNDER SOME CIRCUMSTANCES. THIS DOES NOT NECESSAROY MEAN THAT THEY GO TO THE HEAD OF THE LINE, HOWEVER. IT APPARENTLY MEANS THEY ARE SENT THROUGH AS SOON AS POSSIBLE WHILE CAUSING THE LEAST DISRUPTION TO THE SCHEDULE.

THE ONLY TIME U.S. NAVAL SHIPS ARE SENT TO THE HEAD OF THE LINE IS DURING A 'GENUINE EMERGENCY', A PANAMA

CANAL COMPANY SPOKESMAN SAID. HE SAID THIS OCCURRED  
DURING THE CUBAN MISSILE CRISIS IN 1962 BUT NOT  
DURING THE VIETNAM WAR. IN THE LATTER CONFLICT, SOME  
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SHIPS RECEIVED PRIORITY PASSAGE, HE SAID. UNQUOTE  
GONZALEZ

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## Message Attributes

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